

**HOUSE BILL NO. 134**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/10/21

Referred: Transportation, State Affairs

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act repealing the Alaska Marine Transportation Advisory Board; establishing the  
2 Alaska Marine Highway System Operation and Planning Board; and providing for an  
3 effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 19.65.011 is amended to read:

6       **Sec. 19.65.011. Short-term and comprehensive long-range plan.** The  
7 Department of Transportation and Public Facilities, in consultation with the Alaska  
8 Marine Highway System Operation and Planning [TRANSPORTATION  
9 ADVISORY] Board, shall prepare a short-term and a comprehensive long-range  
10 plan for the development and improvement of the Alaska marine highway system. The  
11 plans shall be prepared [AND SHALL,] in consultation with the Alaska Marine  
12 Highway System Operation and Planning [TRANSPORTATION ADVISORY]  
13 Board. The short-term plan shall be revised and updated annually and the long-  
14 term plan shall be revised and updated [, REVISE AND UPDATE THE PLAN] at

1 least every three [FIVE] years. The department shall submit both the short-term and  
 2 the comprehensive long-range plans [PLAN] and revisions and updates of the plans  
 3 [PLAN] to the legislature.

4 \* **Sec. 2.** AS 19.65 is amended by adding new sections to read:

5 **Article 4. Alaska Marine Highway System Operation and Planning Board.**

6 **Sec. 19.65.210. Alaska Marine Highway System Operation and Planning**  
 7 **Board.** There is established in the Department of Transportation and Public Facilities  
 8 the Alaska Marine Highway System Operation and Planning Board.

9 **Sec. 19.65.220. Board composition.** (a) The membership of the board consists  
 10 of

11 (1) the commissioner of transportation and public facilities, or the  
 12 commissioner's designee;

13 (2) ten public members appointed by the governor, who are residents  
 14 of the state and meet the following criteria:

15 (A) three members with experience in marine operating,  
 16 maintenance, or vessel construction;

17 (B) three members with business experience, at least one of  
 18 whom has experience in marine-related business;

19 (C) two members, one of whom represents an Alaska native  
 20 organization or tribe and one of whom represents a community served by the  
 21 Alaska marine highway system;

22 (D) one member, who may be retired, of a recognized union  
 23 that represents employees of the Alaska marine highway system;

24 (E) one member with experience in restructuring businesses in  
 25 the travel industry.

26 (b) The public members of the board shall serve staggered three-year terms. If  
 27 a vacancy arises on the board, the governor shall, within 30 days after the vacancy  
 28 arises, appoint a person to serve the balance of the unexpired term. A person appointed  
 29 to fill the balance of an unexpired term shall serve on the board from the date of  
 30 appointment until the expiration of the term.

31 (c) Board members serve at the pleasure of the governor. In addition, a

1 majority of the membership of the board may remove a public member if that member  
2 misses more than two meetings in a calendar year and has not been previously excused  
3 or for other good cause.

4 **Sec. 19.65.230. Officers and quorum.** The members of the board shall select  
5 a chair and a vice-chair from among the members of the board each year. The vice-  
6 chair presides over meetings in the absence of the chair. A majority of the members of  
7 the board constitutes a quorum. A vacancy on the board does not impair the right of a  
8 quorum to exercise all the powers and perform all the duties of the board.

9 **Sec. 19.65.240. Meetings.** The board shall meet at least four times each year.  
10 Meetings may be called by the chair or by a majority of the members of the board.  
11 Meetings may be conducted by teleconference. All meetings are open to the public  
12 unless an executive session is called based on the criteria in AS 44.62.310(b).

13 **Sec. 19.65.250. Per diem and expenses.** Members of the board do not receive  
14 a salary, but are entitled to per diem and travel expenses authorized for boards and  
15 commissions under AS 39.20.180.

16 **Sec. 19.65.260. Records.** Records of the board are subject to inspection and  
17 copying under AS 40.25.110.

18 **Sec. 19.65.270. Legal assistance.** The Department of Law shall provide all  
19 legal services for the board.

20 **Sec. 19.65.280. Powers, duties, and functions.** (a) After the commissioner of  
21 transportation and public facilities has considered one or more candidates for the  
22 position of director or deputy commissioner of the Alaska marine highway system, the  
23 commissioner shall confer with the board regarding that candidate or those candidates  
24 before making an appointment to that position. The selection of those candidates shall  
25 be without regard to political affiliation.

26 (b) The board shall, in cooperation with the Department of Transportation and  
27 Public Facilities, prepare and transmit reports, recommendations, and plans in  
28 accordance with this section.

29 (c) By September 1 each year, the board shall transmit an annual report to the  
30 governor. The department shall notify the legislature and the public that the report is  
31 available. The annual report must include:

- 1 (1) financial information;
- 2 (2) revisions and updates to the short-term plan for the Alaska marine
- 3 highway system prepared under AS 19.65.011, including consideration of
- 4 (A) cost-saving or income-producing business or procurement
- 5 practices;
- 6 (B) reliable scheduling;
- 7 (C) impacts of increasing service;
- 8 (D) management practices;
- 9 (E) commercial service opportunities;
- 10 (F) maintenance practices and recommendations for
- 11 improvement;
- 12 (G) fleet design and replacement strategy;
- 13 (H) regulatory compliance;
- 14 (I) risk management practices;
- 15 (J) fare or tariff changes;
- 16 (K) asset management;
- 17 (L) local government or port authority operation of terminals,
- 18 ferries, or routes.

19 (d) By September 1 every three years, the board shall transmit to the governor  
 20 a report containing progress on and revisions and updates to the comprehensive long-  
 21 term operations plan prepared under AS 19.65.011. The long-term operations plan  
 22 must include long-term marine transportation system objectives, planning  
 23 assumptions, a timeline for major operations milestones, and new initiatives. The  
 24 board shall pay special attention to initiatives that provide strategic and operational  
 25 guidance for transportation systems of a similar size and complexity.

26 (e) The board may receive information from the Department of Transportation  
 27 and Public Facilities necessary to carry out its duties.

28 **Sec. 19.65.290. Staff.** The Department of Transportation and Public Facilities  
 29 shall provide staff for the board and other assistance at the request of the chair.

30 **Sec. 19.65.295. Definitions.** In AS 19.65.210 - 19.65.295, "board" means the  
 31 Alaska Marine Highway System Operation and Planning Board.

1     \* **Sec. 3.** AS 19.65.110, 19.65.120, 19.65.130, 19.65.140, 19.65.150, 19.65.160, 19.65.170,  
2     19.65.180, 19.65.190, and 19.65.195 are repealed.

3     \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
4     read:

5             THE ALASKA MARINE HIGHWAY SYSTEM OPERATION AND PLANNING  
6     BOARD; STAGGERED TERMS. (a) Notwithstanding AS 19.65.220(b), in accordance with  
7     AS 39.05.055, the governor shall appoint the initial members of the Alaska Marine Highway  
8     System Operation and Planning Board to staggered terms as follows:

9                 (1) two members shall be appointed to serve one year;

10                (2) two members shall be appointed to serve two years;

11                (3) two members shall be appointed to serve three years;

12                (4) two members shall be appointed to serve four years; and

13                (5) two members shall be appointed to serve five years.

14           (b) Subject to the term limits in (a) of this section, a person serving as a member of  
15     the Alaska Marine Transportation Advisory Board under AS 19.65.120 before the effective  
16     date of this Act may be reappointed as a member of the Alaska Marine Highway System  
17     Operation and Planning Board.

18     \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
19     read:

20             REPORTS. The board shall prepare and submit its first reports to the governor under  
21     AS 19.65.280, enacted by sec. 2 of this Act, not later than September 1, 2021.

22     \* **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).